

AP245

## **‘ONE MAN BAND’ COMPANIES MUST NOT SLIP THROUGH INSURANCE NET**

Health and safety lawyers have warned the Government not to excuse ‘one man band’ companies from paying employers’ liability insurance.

Responding to a Government review following the second stage report into employers’ liability insurance, the Association of Personal Injury Lawyers (APIL) has voiced concern over proposals to scrap the requirement for sole traders – limited companies in which the owner is the sole employee – to obtain EL cover.

“It is imperative that these companies do not slip through the net,” said APIL president David Marshall. “Our worry is that although the owner may be the sole employee, many of these companies – in particular the construction industry - go on to employ casual workers.

”If the employer is exempt from obtaining employers’ liability cover, then any casual workers will be left high and dry in the event of an accident – unable to claim and with no means of compensation.”

Marshall said the situation is made worse because there is no centralised Employers’ Insurance Bureau to record and monitor employers’ compulsory insurance, and act as an insurer of last resort.

“APIL has, for many years, been calling for the establishment of an Employers Insurance Bureau,” he said. “Insurers should be compelled to give details of a company’s EL policies to a central database or agency in order to see who is operating without insurance.

“The Bureau would also act as insurer of last resort,” Marshall went on. “This would enable employers injured by an uninsured company to seek redress.”

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**Note to editors:** APIL’s response paper is based on the consultation paper issued by the Department of Work and Pensions: REVIEW OF EMPLOYERS’ LIABILITY COMPULSORY INSURANCE (ELCI)

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